A0400-1

The Aluminum Situation

Department of Economics and Statistics **June 1986**

Shipments Up 5.6 Percent

Net shipments for four months of 1986, at an estimated 5,344 million pounds, were up 5.6 percent from the first four months of 1985 total of 5,061 million pounds.

Domestic shipments of 5,014 million pounds were up 8.2 percent from the 1985 four month total of 4,636 million pounds.

Imports of ingot and mill products were up 38.6 percent and exports were down 22.4 percent.

Thru April 1986

	4 Mos. 1986	4 Mos. 1985	% Change
Mill Products	4,254	4,001	+ 6.3%
Ingot	1,090	1,060	+ 2.8%
Total	5,344	5,061	+ 5.6%
Less Exports	-330	-425	-22.4%
Domestic Total	5,014	4,636	+ 8.2%

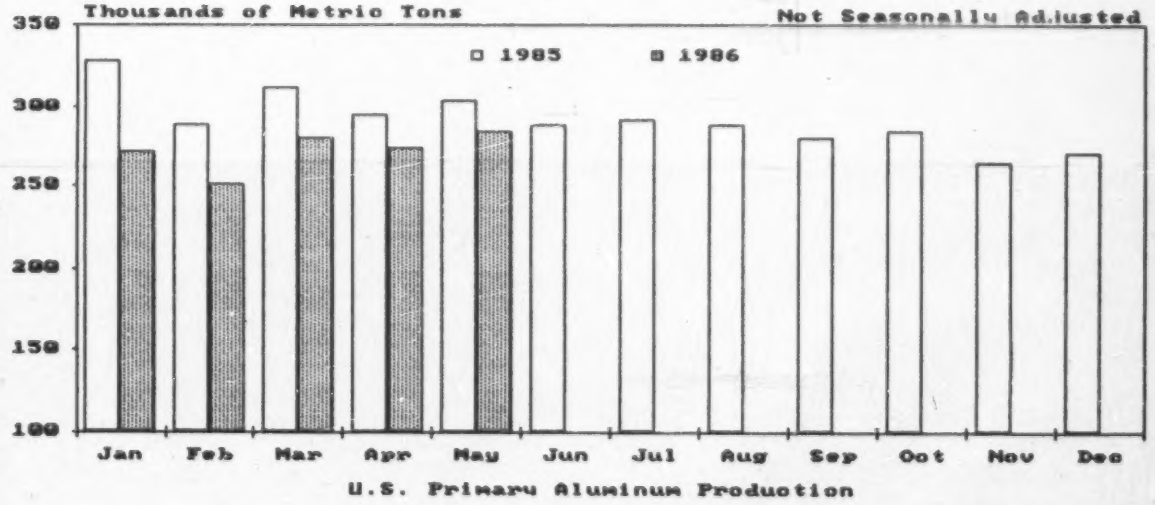
Millions of Pounds
Source: Latest two months estimated by the Aluminum Association.
Previous data-Bureau of the Census.

Production Rate Down 6.4 Percent

U.S. primary aluminum production averaged 9,176 metric tons daily per day in May 1985.

The annual rate of production in May 1986 was 3,349,099 metric tons, compared to a revised 3,343,315 metric tons in April 1986. The May 1985 annual rate was 3,576,928 metric tons. Actual production in May 1986 was 284,444 metric tons.

Primary Production

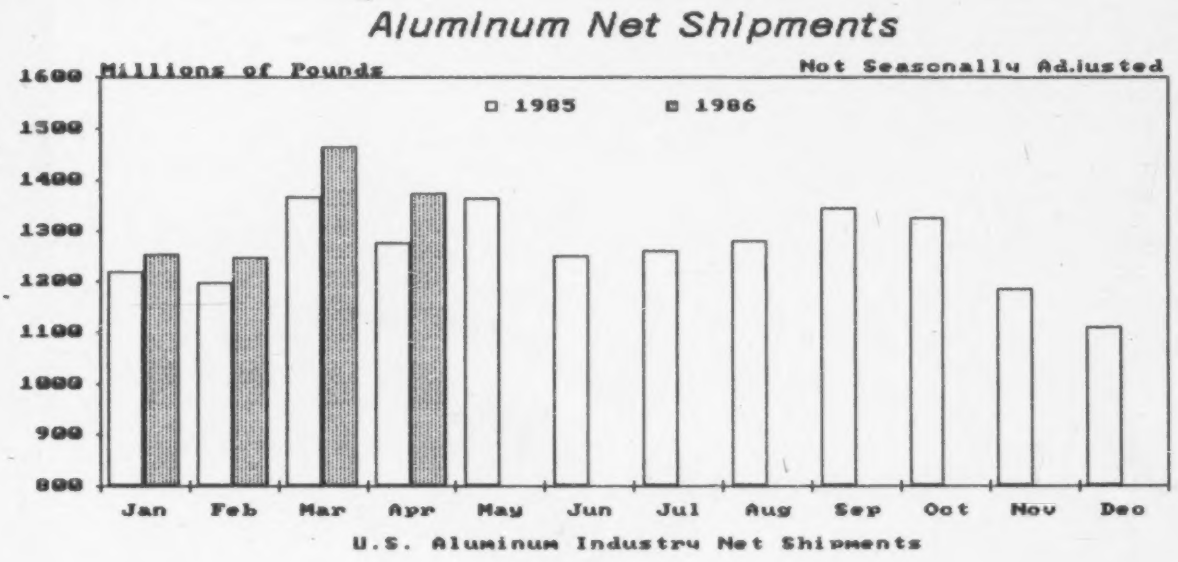


U.S. Primary Aluminum Production

Aluminum Association total industry estimates are based on information reported by members, which is aggregated by the Association and then expanded to total industry data utilizing an expansion ratio that attempts to reflect the relationship of reporters to the total industry. While the Association believes that its statistical procedures and methods are reliable, it does not warrant the accuracy or completeness of the data. All data contained herein are subject to revision.

Net Shipments Up 5.6 Percent

Estimated shipments of 5,344 million pounds for four months of 1986 were up 5.6 percent from the 1985 four month total of 5,061 million pounds. Exports were down 22.4 percent so domestic shipments showed a 8.2 percent increase over a year ago.



Net Shipments

(Millions of Pounds)

	1986 Apr.	1985 Apr.	1986 4 Mos.	1985 4 Mos.	% Change YTD 1986 vs. 1985
Sheet	600.0	541.2	2,208.9	2,035.4	+ 8.5
Plate	26.0	21.1	93.0	89.5	+ 3.9
Foil	79.0	71.2	307.1	269.5	+14.0
Rod, Bar & Wire	33.0	27.4	127.6	108.8	+17.3
Electrical Conductor	60.0	62.8	212.9	242.7	-12.3
Extruded Shapes & Tube**	239.0	231.1	917.1	887.8	+ 3.3
Powder & Paste	10.0	8.6	34.3	37.2	- 7.8
Forgings & Impacts	12.0	13.3	49.4	50.7	- 2.6
Net Imports of Mill Products (Total) (a)	65.0	61.9	304.1	279.5	+ 8.8
Total Mill Products	1,124.0	1,038.6	4,254.4	4,001.1	+ 6.3
Ingot (b)	250.0	239.4	1,089.7	1,060.3	+ 2.8
TOTAL INDUSTRY SHIPMENTS	1,374.0	1,278.0	5,344.1	5,061.4	+ 5.6
Exports	-69.2	-101.2	-329.8	-425.1	-22.4
TOTAL DOMESTIC SHIPMENTS	1,304.8	1,176.8	5,014.3	4,636.3	+ 8.2

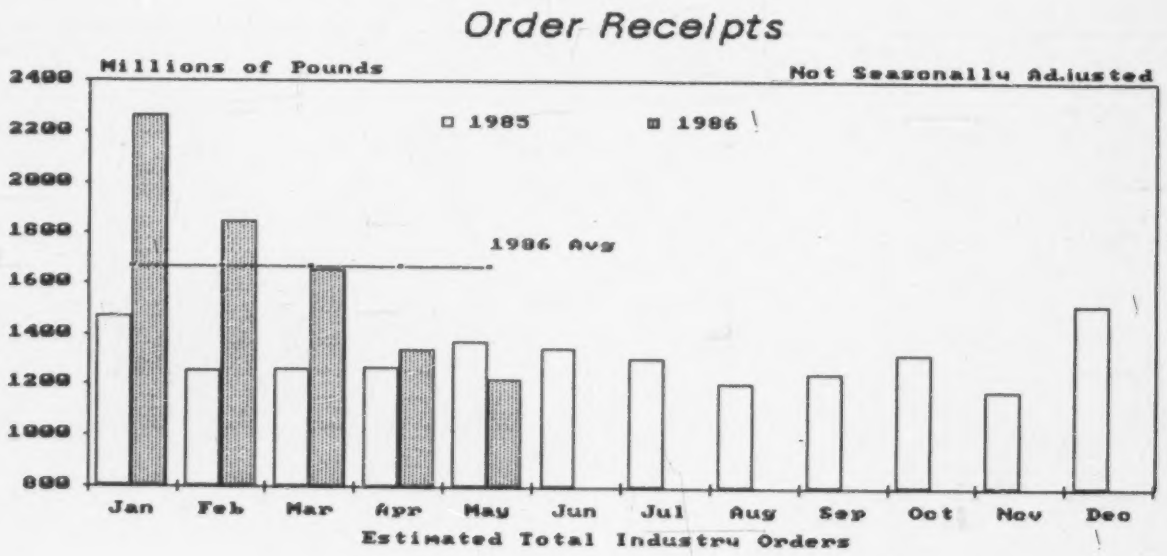
** January-May 1985 shapes and tubes increased to account for unsourced Census revision to total mill products.

*Latest two months estimated by the Aluminum Association.
Previous data-Bureau of the Census and Department of Commerce.
(a) Not included in product data above.
(b) Sufficient data not available for reliable estimate. Implicit in this item is a 10 to 25% variation.

Commencing January 1985, Census reports have changed product categories as follows: Rod, Bar and Wire now includes Extruded Rod and Bar; the former Extruded Products now only consists of Shapes and Pipe and Tube; and Welded Tube has been dropped.

Net New Orders Up 25.6 Percent

Estimated net new order receipts for five months of 1986 at 8,318 million pounds were up 25.6 percent over the first five months of 1985 total of 6,622 million pounds. May orders of 1,220 million pounds were down 8.7 percent from the revised April 1986 level of 1,336 million pounds.



Order Receipts

(Millions of Pounds)

	1986 May	1985 May	1986 5 mos.	1985 5 mos.	% Change YTD 1986 vs. 1985
Can Stock(a)	207.0	308.3	1,581.9	1,392.6	+ 13.6
Sheet & Plate, Other	275.1	372.1	1,811.1	1,738.1	+ 4.2
Foil	64.8	64.9	368.8	318.7	+ 15.7
Rod, Bar & Wire	24.7	12.5	149.1	63.9	+133.3
Electrical Conductor	56.5	69.0	292.8	311.1	- 5.9
Extruded Products	183.5	192.2	1,209.7	1,039.7	+ 16.4
Powder & Paste	8.5	9.4	39.6	50.1	- 21.0
Forgings & Impacts	6.9	10.9	52.9	51.3	+ 3.1
Domestic Mill Products	827.0	1,039.3	5,505.9	4,965.5	+ 10.9
Ingot (Total)	339.9	244.3	2,444.8	1,242.6	+ 96.7
TOTAL DOMESTIC	1,166.9	1,283.6	7,950.7	6,208.1	+ 28.1
Exports	53.4	84.7	367.6	413.5	- 11.1
TOTAL ALL PRODUCTS	1,220.3	1,368.3	8,318.3	6,621.6	+ 25.6

Source: The Association estimates total industry orders (including orders for imports), based on weekly reports by members of new orders (less cancellations) received. The Association expands these data to total industry utilizing an expansion ratio that attempts to reflect the relationship of reporters to the total industry. Weekly data are available upon request.
(a) Domestic only. Orders for imports of can stock are included in Sheet and Plate, Other.
*Latest month.

April 1986 Inventories Increased 61 Million Pounds

Producer inventories increased an estimated 61 million pounds in April 1986 from a revised March level of 5,046 million pounds.

Month-End Aluminum Inventories
By Type of Producer
Figures in Millions of Pounds

Month	Total*	Integrated	Smelters	Non-Integrated
Dec 80	5,076	4,018	261	797
Dec 81	6,607	5,542	266	798
Dec 82	6,180	5,224	216	740
Dec 83	4,994	3,979	163	853
Dec 84	5,850	4,692	229	929
Month	**Total***	**Ingot**	**Scrap**	**All Other**
May 85	5,684	2,579	693	2,412
Jun 85	5,596	2,436	664	2,496
Jul 85	5,575	2,450	681	2,444
Aug 85	5,489	2,397	695	2,396
Sep 85	5,438	2,359	662	2,416
Oct 85	5,337	2,347	643	2,347
Nov 85	5,246	2,286	612	2,348
Dec 85	5,160	2,243	569	2,349
Jan 86	5,161	2,167	561	2,433
Feb 86	5,158r	2,038r	562r	2,558r
Mar 86	5,046r	1,854r	522r	2,670r
Apr 86	5,107	1,770	584	2,753

*Latest two months estimated by Aluminum Association. Previous data-Bureau of the Census. Inventories include ingot, mill products and scrap.
Early estimates are available approximately the 5th working day each month; however, there is a charge for this special service. Contact the Aluminum Association Department of Economics and Statistics for details.

Imports and Exports

(Millions of Pounds)

		1986 Apr.	1985 Apr.	1986 4 Mos.	1985 4 Mos.	% Change 1986 vs. 1985
Imports	Mill Products	74.0	80.7	344.3	349.6	- 1.5
	Ingot	288.3	145.9	970.9	599.2	+ 62.0
	Total	362.3	226.6	1,315.2	948.8	+ 38.6
	Scrap (+ dross)	26.5	22.7	105.5	82.0	+ 28.7
	Grand Total	388.8	249.3	1,420.7	1,030.8	+ 37.8
Exports	Mill Products	40.9	39.3	157.2	156.2	+ 0.6
	Ingot	28.3	61.9	172.6	268.9	- 35.8
	Total	69.2	101.2	329.8	425.1	- 22.4
	Scrap	55.6	71.9	255.4	290.7	- 12.1
	Grand Total	124.8	173.1	585.2	715.8	- 18.2
Net Imports		264.0	76.2	835.5	315.0	+165.2

Source: Department of Commerce, Industry Trade Administration and Bureau of the Census. Excludes backed foil.